

2013 Living Wage Study Notes

These notes reflect the sources from which the data used in the 2013 Living Wage Study was selected. Whenever possible, the most up-to-date publications with the most local data were used. All percentage increases/decreases marked in parenthesis indicate the change from the same numbers used or obtained in the 2011 Living Wage Study for comparative purposes.

Rent:

\$836.00/month One-Bedroom x 12 months = \$10,032/year (+3.08%)

Other options:

Efficiency: \$682 (-13.56%)

2BR: \$1,001 (+5.37%)

3BR: \$1,387 (+20.61%)

4BR: \$1,392 (+16.78%)

Sources:

U.S. Department of Housing and Urban Development: Final FY 2013 Fair Market Rent Documentation System,

<http://www.huduser.org/portal/datasets/fmr/fmrs/docsys.html&data=fmr13>
(Select NY State Tompkins County)

Food:

\$218.50/month x 12 months = \$2,622/year (+7.32%)

Low-cost Official USDA Food Plan: Average of male and female ages 19-50

Monthly cost of food on low-cost plan:

Men 19-50 years: \$234 (+7.39%)

Women 19-50 years: \$203 (+7.24%)

Average of men and women: \$218.50 (+7.32%)

Sources:

Official USDA Food Plans: Cost of Food at Home at Four Levels, U.S. Average, June 2012 (June statistics are used to represent the annual average),

<http://www.cnpp.usda.gov/Publications/FoodPlans/2012/CostofFoodJun2012.pdf>

Transportation:

\$168.86 + \$17.45 + \$2.58 + \$0.12 + \$0 = \$189.01/month x 12 months =

\$2268.12/year (+5.57%)

Population of Tompkins County: 101,723 (US Census Bureau 2011)

Drive Alone 56.6%, Carpool 11.7%, Public Transportation 5.9%, Bike, 1.5%, Walk 16.4%, Work at home 6.3%, Other 1%

Drive Alone = \$3,580/12 x 0.566 = \$168.86/month

Cost of driving alone, according to BLS Customer Expenditure Survey 2011 (second 20%) = \$1,981 (gasoline/motor oil up 32.24%) + \$1,599 (other expenses, including

insurance, maintenance and repairs, vehicle finance charges, licenses, up 14.58%) = \$3,580/year

Carpool = $\$1790/12 \times 0.117 = \$17.45/\text{month}$
Share the cost of driving alone – divide by 2.

Public Transportation $\$456/12 \times 0.068 = \$2.58/\text{month}$
Cost of public transportation (annual bus pass on TCAT) = \$450 (Zone 1) or \$600 (Zone 2)
Per TCAT, 95.9 buy Zone 1, 4.1% Zone 2.
Average cost of TCAT bus pass = $(\$450 \times 95.9\% = \$431.55 + \$600 \times 4.1\% = \$24.60 = \$456.15)$

Bike $\$92.59/12 \times 0.015 = \$0.12/\text{month}$
Cost of a bike \$50 (\$250 over 5 years) + \$42.59 annual maintenance = \$92.23
Annual maintenance such as tuning, changing of tires, brakes and tubes.

Cost of maintenance of existing bicycle based on Living Wage Study 2002 (obtained from Claritas Consumer Spending Patterns data) = \$33/year, adjusted for inflation = \$42.59/year

Walking 16.4% + Work at home 6.3% + Others (including taxi and motorcycle) 1%
These categories are collectively assumed to have none or very little cost.

Sources:

Commuting to Work (Ages 16+) study, prepared by Ithaca-Tompkins County Transportation Council,
http://www.tompkins-co.org/itctc/Statistics/Journey-to-Work/Easy%20to%20read%20chartsDec2011/JTW_by_Municipality2011ACS_12_14.pdf

Consumer Expenditures Survey 2011 (second 20%),
<http://www.bls.gov/cex/2011/Standard/quintile.pdf>
Weekly Retail Gasoline and Diesel Prices, US Energy Information Administration,
http://www.eia.gov/dnav/pet/pet_pri_gnd_a_epm0_pte_dpgal_a.htm

References:

Tompkins County, NY QuickFacts, US Census Bureau,
<http://quickfacts.census.gov/qfd/states/36/36109.html>
Ithaca, NY Economy at a Glance, Bureau of Labor Statistics,
http://www.bls.gov/eag/eag.ny_ithaca_msa.htm
Interlocking Pieces: Housing, Transportation, and Jobs (2004), from Tompkins County Comprehensive Plan, prepared by Tompkins County Planning Department,
http://www.tompkins-co.org/planning/compplan/4%20housing_trans_jobs.pdf

Journey to Work study, prepared by Ithaca-Tompkins County Transportation Council, <http://www.tompkins-co.org/itctc/Statistics/Journey-to->

Work/Easy%20to%20read%20chartsDec2011/JTW_by_Municipality2011ACS_12_14.pdf

Communication:

$(\$35.74 + \$27.50) / \text{month} = \$63.24 / \text{month}$

$\$63.24 / \text{month} \times 12 \text{ months} = \$758.88 / \text{year} (+5.42\%)$

Internet

Access to the internet has become an indispensable part of life in the 21st century. These no-contract internet plans have been selected from Verizon and Time Warner Cable for their comparative speeds (download speed: 15 Mbps; upload speed: 1 Mbps) that would suffice for both personal communication and entertainment purposes. Both service providers have been chosen because of the difference in service availability throughout Tompkins County; depending on their geographical location, some households might not be able to subscribe to one or the other service provider. Taxes and fees are assumed to be 10% of cost before tax.

Verizon Better Internet = $\$29.99 + \text{taxes and fees} = \$32.99 / \text{month}$

Time Warner Cable Standard Internet = $\$34.99 + \text{taxes and fees} = \$38.49 / \text{month}$

Average = $(\$32.99 + \$38.49) / 2 = \$35.74 / \text{month}$

Telephone

As the popularity of cell phone usage rises, fewer households maintain the use of a landline phone. The calculations below are based on the assumption that an individual can purchase a basic prepaid cell phone for a monthly plan without a contract. This particular plan from AT&T provides 250 nationwide anytime minutes per month and unlimited texting. For every minute exceeding the included 250 minutes, an additional \$0.10 charge is applied. Taxes and fees are assumed to be 10% of cost before tax.

Prepaid cell phone (AT&T) = $\$25 + \text{taxes and fees} = \$27.50 / \text{month}$

Sources:

Verizon, <http://www22.verizon.com/home/highspeedinternet/high-speed-internet-plans/>

Time Warner Cable, <http://www.timewarnercable.com/en/residential-home/internet/plans.html>

AT&T, www.att.com

Healthcare:

With employer-provided health insurance: $\$115.31 + \$73.33 = \$188.64 / \text{month} \times 12 = \$2263.68 / \text{year} (+8.99\%)$

Health Insurance (from Alternatives)

This calculation is based on the 2013 Staff Per-Payroll Contribution under the Simply Blue Copay Plan, averaging the co-pay plan and two high deductible plans.

Alternatives pays 75% of individual health insurance premiums as soon as insurance starts for full-time staff. 55.55% of staff have the Co-pay plan and contribute \$66.78/pay period (There are 26 pay periods.) 22.22% pay \$43.10 to a high deductible plan, and 22.22% pay \$29.46 to a higher deductible plan.
($\$66.78 \times 55.55\% = \$37.09 + \$43.10 \times 22.22\% = 9.58 + \$29.46 \times 22.22\% = \$6.55 = \$53.22 \times 26 \text{ payrolls} = \$1383.72/12 \text{ months} = \115.31)

Health Insurance (from Healthy NY)

For those employers who do not offer employee sponsored Health Insurance, an individual can purchase health insurance from Healthy NY. There is a choice for individual coverage w/drugs under the Excellus Health Plan in Tompkins County: \$380.80/month for a traditional plan, \$307.07 for the high deductible plan. Average the two for \$343.94/month which is \$228.63 more than our staff pays towards their premium. That comes out to an additional \$1.32/hour for a 40 hour week.
($\$228.63 \times 12 = \$2743.56/2080 = \$1.32$)

Out of pocket expenses based on Consumer Expenditure Survey 2011 (second 20% quintile)

Medical services: \$467
Drugs: \$314
Medical supplies: \$99
Total: $\$880/12 = \$73.33/\text{month}$

Sources:

Alternatives Federal Credit Union 2013 Health Insurance Rates, internal document
Consumer Expenditures Survey 2011
<http://www.bls.gov/cex/2011/Standard/cusize.pdf>

2013 Healthy NY Rates by County,
<http://www.dfs.ny.gov/healthyny/rates/pdf/Tompkins.pdf>

Recreation:

$\$107.00/\text{month} \times 12 \text{ months} = \$1,284.00/\text{year} (+5.298\%)$
Activities important to work-life balance. Based on prior studies, minimum \$100 has been increased by inflation. Increased \$101.62 (2010) by 5.29% inflation rate to adjust for 2012 buying power.

Sources:

Bureau of Labor Statistics CPI Inflation Calculator,
http://www.bls.gov/data/inflation_calculator.htm
Living Wage Study Notes 2009,
<http://www.alternatives.org/livingwage2009notes.html>

Savings:

$\$64.00/\text{month} \times 12 \text{ months} = \$768.00/\text{year} (+5.29\%)$

As a Credit Union, we think a savings habit is an important component of any budget.

Increased \$60.78 (2010) by 5.29% inflation rate for 2012 buying power.

Sources:

Bureau of Labor Statistics CPI Inflation Calculator,

http://www.bls.gov/data/inflation_calculator.htm

Living Wage Study Notes 2000, http://www.alternatives.org/livable_notes.html

Miscellaneous:

\$113.75/month x 12 months = \$1,365/ year (+2.98%)

Based on average annual figures from Consumer Expenditures Survey 2011

Housekeeping Supplies = \$348

Apparel cost (Average, ages 16+) = \$331

Apparel cost (Men, ages 16+): \$235

Apparel cost (Women, ages 16+): \$427

Footwear = \$161

Other apparel products and services \$137

Personal care and services = \$388

Sources:

Consumer Expenditures Survey 2011 (second 20%),

<http://www.bls.gov/cex/2011/Standard/quintile.pdf>

References:

<http://www.bls.gov/opub/btn/volume-1/pdf/travel-expenditures-2005-2011-spending-slows-during-recent-recession.pdf>

<http://www.bls.gov/opub/btn/volume-1/pdf/a-comparison-of-25-years-of-consumer-expenditures-by-homeowners-and-renters.pdf>

<http://www.bls.gov/opub/mlr/2012/09/art1full.pdf>

Taxes:

Payroll taxes increased, going back up to 7.65% equaling \$2007.95 for the year or \$167.33/mo.

Federal tax computation \$1990.91/year = \$165.91/mo.

NY State taxes would be \$881.67/year = \$73.47/mo.

Addendum:

Childcare:

Although this data is not included in the determination of a living wage for a single-household individual, it is provided here for reference.

Infant: \$1061.64/month x 12 months = \$12,739.68/year

Toddler: \$1062.32/month x 12 months = \$12,747.84/year

Pre-school: \$951.19/month x 12 months = \$11414.28/year

Monthly (4 weeks) tuition rates are self-reported based on email inquiries to a random sample of registered local childcare centers and service providers. As close as possible, the data is selected for registered day care centers providing full day services for 5 days a week.

Infant

Drop-in Children's Center (full day): \$1040

Bright Horizons/Cornell University Child Care Center (full day): \$1474

NYS Self-sufficiency report 2010 (adjusted for inflation): \$778.12

NYS Office of Children and Family Services survey 2010 (adjusted for inflation): \$954.44

Average: \$1061.64/month

Toddler

Drop-in Children's Center (full day): \$1000

Bright Horizons/Cornell University Child Care Center (full day): \$1279

NYS Self-sufficiency report 2010 (adjusted for inflation): -

NYS Office of Children and Family Services survey 2010 (adjusted for inflation): \$907.96

Average: \$1062.32/month

Pre-school

Drop-in Children's Center (full day): \$920

Bright Horizons/Cornell University Child Care Center (full day): \$1167

NYS Self-sufficiency report 2010 (adjusted for inflation): \$890.03

NYS Office of Children and Family Services survey 2010 (adjusted for inflation): \$827.72

Average: \$951.19/month

Sources:

Bureau of Labor Statistics CPI Inflation Calculator,

http://www.bls.gov/data/inflation_calculator.htm

Monthly Tuition Schedule, Cornell University Child Care Center,

https://www.hr.cornell.edu/life/support/c4_rates.pdf

Drop-in Children's Center, <http://www.dicc.org/fees.html> (actual data obtained through email communication)

Child Care Market Rates 2011-2013 (2010), prepared by NYS Office of Children and Family Services,

http://www.childdevelopmentcouncil.org/files/all/2011_market_rates.pdf (Full report at:

https://www.ocfs.state.ny.us/main/policies/external/OCFS_2011/LCMs/11-OCFS-LCM-12%20Child%20Care%20Market%20Rates%202011-2013.pdf)

Child Care Costs and Financial Assistance, Child Development Council,

<http://www.childdevelopmentcouncil.org/content/view/full/financial-assistance.html>

Tompkins County Childcare Centers listing,

http://childcarecenter.us/county/tompkins_ny#.U07z7ORX3ng

The Self-sufficiency Standard for New York State 2010, prepared by Diana M.

Pearce, PhD for the NYS Self-sufficiency Standard Steering Committee,

<http://www.selfsufficiencystandard.org/docs/New%20York%20State%202010.pdf>

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